

Composition of capital as of March 31, 2015

<Sumitomo Mitsui Trust Holdings, Inc. >

[Consolidated, International standard]

(Millions of yen, except percentages)

Basel III template No.	Items	March 31, 2015	Amounts excluded under transitional arrangements	March 31, 2014	Amounts excluded under transitional arrangements
Common Equity Tier 1 capital: instruments and reserves					
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	1,835,076		1,770,959	
1a	of which: capital stock and capital surplus	906,869		906,875	
2	of which: retained earnings	970,373		886,491	
1c	of which: treasury stock (deduction)	17,057		591	
26	of which: earnings to be distributed (deduction)	25,109		21,815	
	of which: others	-		-	
1b	Subscription rights to common shares	246		47	
3	Accumulated other comprehensive income	211,855	317,783	40,719	162,879
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	944		2,244	
	Amount allowed in group Common Equity Tier 1 subject to transitional arrangements	22,090		27,203	
	of which: common share capital issued by subsidiaries and held by third parties	22,090		27,203	
6	Common Equity Tier 1 capital: instruments and reserves (A)	2,070,212		1,841,175	
Common Equity Tier 1 capital: regulatory adjustments					
8+9	Intangible assets other than mortgage servicing rights *	55,074	82,612	34,704	138,817
8	of which: goodwill (including those equivalent)	34,613	51,920	19,374	77,497
9	of which: other intangible assets	20,460	30,691	15,329	61,319
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences *	237	356	727	2,911
11	Deferred gains or losses on derivatives under hedge accounting	(6,286)	(9,429)	(1,542)	(6,168)
12	Shortfall of eligible provisions to expected losses	22,095	33,142	19,827	79,308
13	Securitization gain on sale	2,534	3,801	1,488	5,955
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	-	-
15	Defined-benefit pension fund net assets (assets for retirement benefits) *	51,611	77,416	19,327	77,309
16	Investments in own shares (excluding those reported in the Net assets section)	3	4	12	50
17	Reciprocal cross-holdings in common equity	-	-	-	-
18	Investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	5,091	7,637	6,446	25,785
19+20+21	Amount above the 10% threshold on the specified items	-	-	-	-
19	of which: significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	-	-	-
20	of which: mortgage servicing rights	-	-	-	-
21	of which: deferred tax assets arising from temporary differences *	-	-	-	-
22	Amount exceeding the 15% threshold on the specified items	-	-	-	-
23	of which: significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	-	-	-
24	of which: mortgage servicing rights	-	-	-	-
25	of which: deferred tax assets arising from temporary differences *	-	-	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	130,361		80,992	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (C) = (A)-(B)	1,939,850		1,760,182	

(Millions of yen, except percentages)

Basel III template No.	Items	March 31, 2015	Amounts excluded under transitional arrangements	March 31, 2014	Amounts excluded under transitional arrangements
Additional Tier 1 capital: instruments					
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards	-	-	-
	31b	Subscription rights to Additional Tier 1 instruments	-	-	-
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as liabilities under applicable accounting standards	-	-	-
		Qualifying Additional Tier 1 instruments issued by special purpose vehicles	-	-	-
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)	9,781		9,667	
33+35	Eligible Tier 1 capital instruments subject to phase out from Additional Tier 1 capital	276,000		395,000	
33	of which: directly issued and issued by special purpose vehicles	116,000		235,000	
35	of which: issued by subsidiaries	160,000		160,000	
	Amount allowed in group Additional Tier 1 subject to transitional arrangements	8,972		5,874	
	of which: foreign currency translation adjustment	8,972		5,874	
36	Additional Tier 1 capital: instruments (D)	294,754		410,541	
Additional Tier 1 capital: regulatory adjustments					
37	Investments in own Additional Tier 1 instruments	-	-	-	-
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	-	-	-
39	Investments in the Additional Tier 1 instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	1,293	1,939	3,176	12,704
40	Significant investments in the Additional Tier 1 instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	-	-	-
	Regulatory adjustments applied to Additional Tier 1 subject to transitional arrangements	72,634		121,687	
	of which: goodwill equivalents	50,810		74,136	
	of which: equivalent to intangible fixed assets recorded through business combination	1,451		1,940	
	of which: equivalent to capital increase due to securitization transactions	3,801		5,955	
	of which: equivalent to 50% of shortfall of eligible provisions to expected losses	16,571		39,654	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-	
43	Additional Tier 1 capital: regulatory adjustments (E)	73,928		124,863	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital (F) = (D)-(E)	220,826		285,678	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (G) = (C)+(F)	2,160,677		2,045,861	
Tier 2 capital: instruments and provisions					
46		Directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as equity under applicable accounting standards	-	-	-
		Subscription rights to Tier 2 instruments	-	-	-
		Directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as liabilities under applicable accounting standards	30,000	-	-
		Qualifying Tier 2 instruments issued by special purpose vehicles	-	-	-
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	2,437		2,738	
47+49	Eligible Tier 2 capital instruments subject to phase out from Tier 2	574,183		686,327	
47	of which: directly issued and issued by special purpose vehicles	-		-	
49	of which: issued by subsidiaries	574,183		686,327	
50	Provisions allowed in group Tier 2	399		509	
50a	of which: general allowance for credit losses	399		509	
50b	of which: excess amount of eligible provisions to expected losses	-		-	
	Amount allowed in group Tier 2 subject to transitional arrangements	194,619		123,045	
	of which: 45% of net unrealized gain on available-for-sale securities	195,329		123,696	
	of which: 45% of revaluation reserve for land	(709)		(650)	
51	Tier 2 capital: instruments and provisions (H)	801,639		812,621	

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Basel III template No.	Items	March 31, 2015	Amounts excluded under transitional arrangements	March 31, 2014	Amounts excluded under transitional arrangements
Tier 2 capital: regulatory adjustments					
52	Investments in own Tier 2 instruments	-	-	-	-
53	Reciprocal cross-holdings in Tier 2 instruments	-	-	-	-
54	Investments in the Tier 2 instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	5,126	7,689	13,108	52,435
55	Significant investments in the Tier 2 instruments of banking, financial and insurance entities that are outside of the scope of regulatory consolidation, net of eligible short positions	-	-	1,140	4,560
	Regulatory adjustments applied to Tier 2 subject to transitional arrangements	18,917		52,565	
	of which: investments in the instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	2,346		12,911	
	of which: equivalent to 50% of shortfall of eligible provisions to expected losses	16,571		39,654	
57	Tier 2 capital: regulatory adjustments (I)	24,043		66,814	
Tier 2 capital (T2)					
58	Tier 2 capital (J) = (H)-(I)	777,595		745,806	
Total capital (TC = T1 + T2)					
59	Total capital (K) = (G)+(J)	2,938,272		2,791,668	
Total risk weighted assets					
	Risk weighed assets subject to transitional arrangements	141,362		262,986	
	of which: intangible assets other than mortgage servicing rights *	29,239		59,379	
	of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences *	356		2,911	
	of which: defined-benefit pension fund net assets *	77,416		77,309	
	of which: investments in own instruments	10		107	
	of which: investments in the instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	34,338		123,278	
60	Total risk weighted assets (L)	18,868,499		18,884,547	
Capital ratios (consolidated)					
61	Common Equity Tier 1 capital ratio (C)/(L)	10.28%		9.32%	
62	Tier 1 capital ratio (G)/(L)	11.45%		10.83%	
63	Total capital ratio (K)/(L)	15.57%		14.78%	
Regulatory adjustments (before risk weighting)					
72	Investments in the instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount below the threshold for deduction)	205,271		160,409	
73	Significant investments in the common stock of banking, financial and insurance entities (amount below the thresholds for deduction)	49,781		43,423	
74	Mortgage servicing rights (amount below the thresholds for deduction)	-		-	
75	Deferred tax assets arising from temporary differences (amount below the thresholds for deduction)	-		64,585	
Provisions included in Tier 2 capital: instruments and provisions					
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to applicable of cap)	399		509	
77	Cap on inclusion of provisions in Tier 2 under standardized approach	4,653		6,244	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal rating-based approach (prior to applicable of cap)	-		-	
79	Cap on inclusion of provisions in Tier 2 under internal ratings-based approach	99,928		99,661	
Capital instruments subject to phase out arrangements					
82	Current cap on Additional Tier 1 instruments subject to phase out arrangements	381,500		436,000	
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	-		-	
84	Current cap on Tier 2 instruments subject to phase out arrangements	600,536		686,327	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	-		74,956	

* net of related deferred tax liabilities